The following presentation contains forecasts, future plans, management targets and other forward-looking projections relating to M3, Inc. and/or its group. These statements are drawn from assumptions of future events based on data currently available to us, and there exist possibilities that such assumptions are objectively incorrect and/or may produce differing actual results from those mentioned in the statements.

Furthermore, information and data other than those concerning the Company and its subsidiaries/affiliates are quoted from public information, and the Company has not verified and will not warrant its accuracy or dependency.

M3, Inc.
Current Business Situation and Outlook
Overview

Medical Platform
- Expansion of marketing support business for pharmaceutical and medical device companies, with orders increase of around +15% yoy
- Sales: 24.4 bn yen (+19% yoy), Op. Profit: 11.7 bn yen (+10% yoy)

Evidence Solution
- Sales of IDA and a dip in projects at SMO Neues resulted in sales of 16.2 bn yen, in line with previous year levels. However, backlog at Neues has revived to previous year levels, and CRO profits grew +16% yoy
- Orders backlog remains at 29 bn yen, with op margins stable at 24%

Career Solution
- Business expanded as user demand increased with sales at 8.2 bn yen (+24% yoy) and op. profit at 2.3 bn yen significant recovery and absorption of upfront investment in personnel in Q1, with Q3 stand alone op. profit growth at +79% yoy

Overseas
- Continued sales and profit growth led by the research business development and improvement in the US and UK. QQFS consolidation expanded membership panel to cover Norther Europe
- Sales: 16.9 bn yen (+50% yoy), Op. Profit: 2.6 bn yen (+119% yoy)

Other Topics
- Acceleration in initiatives within the field of advanced medicine
  – Approval for other utilities of DuraBeam™ proceeding as scheduled
  – Consolidation of JAMECS and capital alliance with Genomix
## FY2017 Q3 Consolidated Results (Apr~Dec 2017)

(million yen)

<table>
<thead>
<tr>
<th></th>
<th>FY16 Q3</th>
<th>FY17 Q3</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>56,301</td>
<td>68,560</td>
<td><strong>+22%</strong></td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>18,646</td>
<td>22,498</td>
<td><strong>+21%</strong></td>
</tr>
<tr>
<td><strong>Pretax Profit</strong></td>
<td>18,628</td>
<td>22,604</td>
<td><strong>+21%</strong></td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>12,534</td>
<td>15,619</td>
<td><strong>+25%</strong></td>
</tr>
</tbody>
</table>
# FY2017 Q3 Consolidated Results by Segment

## IFRS

(1) FY2017 Q3 Consolidated Results by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY2016 Q3 Sales</th>
<th>FY2017 Q3 Sales</th>
<th>YoY (cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medical Platform</strong></td>
<td>20,464</td>
<td>24,408</td>
<td>+19% *</td>
</tr>
<tr>
<td>Sales</td>
<td>10,653</td>
<td>11,728</td>
<td>+10%</td>
</tr>
<tr>
<td><strong>Evidence Solution</strong></td>
<td>16,502</td>
<td>16,215</td>
<td>-2% **</td>
</tr>
<tr>
<td>Sales</td>
<td>3,912</td>
<td>3,824</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Career Solution</strong></td>
<td>6,584</td>
<td>8,156</td>
<td>+24% ***</td>
</tr>
<tr>
<td>Sales</td>
<td>2,101</td>
<td>2,315</td>
<td>+10%</td>
</tr>
<tr>
<td><strong>Overseas</strong></td>
<td>11,250</td>
<td>16,870</td>
<td>+50%</td>
</tr>
<tr>
<td>Sales</td>
<td>1,186</td>
<td>2,597</td>
<td>+119%</td>
</tr>
<tr>
<td><strong>Other Emerging Businesses</strong></td>
<td>3,007</td>
<td>4,537</td>
<td>+51%</td>
</tr>
<tr>
<td>Sales</td>
<td>764</td>
<td>1,057</td>
<td>+39%</td>
</tr>
</tbody>
</table>

* Consolidation of newly acquired subsidiaries contributed more to sales than profits.

** Due to sale of IDA, and trough in sales at SMO Neues.

*** Significant improvement after large upfront investment in Q1 in personnel.

---

* Organic business op. margin remains stable

* Revival of orders seen at Neues, growth expected to end positive for the full year

* Q1 incurred upfront hiring costs, however, Q3 acceleration outpaced that of Q2. Oct-Dec Profit: +79% yoy

* US, EU, and China all healthy

* Continuing expansion of future growth drivers

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Medical platform has shown sound growth, while platform linked and overseas have expanded rapidly.
Doctors spend the most time collecting information via the Internet. However, pharmaceutical firms operating in Japan spend the majority of their marketing budget on off-line sales rep related costs.

### Time Allocation of doctors collecting info

- **Sales Reps**: 17%
- **Internet**: 39%
- **Other**: 44%

### Marketing Budget Allocation of drug companies in Japan

- **Sales Reps**: ~1.5 trillion yen
- **Internet**: ~20 billion yen
- **Other**: ~100 billion yen

Source: M3 research, percentages are approximate

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Currently

Main CLIENTS

(approx.)

50 Companies

SALES per CLIENT

(approx.)

¥500 mn

Full Potential

100 Companies

¥0.8 bn ~ ¥1 bn per client

drivers:

- # of products
- # of opt-in MDs
- Added value of contents

Increase in broader service usage from mid-sized clients.

Average revenues from top 20 clients grew at approx. 8% YoY

Growth Potential of 4~5x current levels

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### Medical Platform Services

<table>
<thead>
<tr>
<th>Pharma Company Needs</th>
<th>Corresponding Department</th>
<th>M3 Services</th>
<th>Marketing Process at Healthcare Related Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strategy Planning</td>
<td>Content Production</td>
<td>Message Delivery</td>
</tr>
<tr>
<td></td>
<td>Product strategy development</td>
<td>Key message identification and content production</td>
<td>Efficient message delivery to the medical scene</td>
</tr>
<tr>
<td></td>
<td>Corporate Planning</td>
<td>Marketing</td>
<td>Marketing</td>
</tr>
<tr>
<td></td>
<td>Marketing</td>
<td></td>
<td>Multi-channel Group</td>
</tr>
<tr>
<td></td>
<td>M3 Research</td>
<td>Web Content Creation</td>
<td>MR-kun</td>
</tr>
<tr>
<td></td>
<td>Mx Data</td>
<td>Agency Business</td>
<td>Web Conference</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>One Point</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>eDetail</td>
</tr>
</tbody>
</table>

**Expanded service line-up to accommodate a wider range of marketing needs, unlimited to just information delivery (original MR-kun), as a one stop shop**
M3’s Growth

Domestic

Medical Platform

Platform Linked Business

Overseas
“Making use of the Internet to increase, as much as possible, the number of people who can live longer and healthier lives, and to reduce as much as possible, the amount of unnecessary medical costs.”

~ 2010
Evolution via MR-kun for pharmaceutical e-Marketing

2011 ~
Evolution via Mr. Finder for pharmaceutical e-R&D
Patient Enrollment in Large-Scale Trials

Case study

Mr. Finder dramatically outpaced competitors both by number and speed in enrolling cases for a particular Endocrinology trial.

Expedited enrollment of motivated physicians and patients compared to other SMOs.
Orders backlog remained around 29bn yen, with corresponding increases in headcount as upfront investment.

Sales stayed flat due to a dip in projects at SMO Neues, however, margins remained high at 24%.
Performance remained healthy at CROs, however, factors such as SMO Neues hitting a dip resulted in the quarter ending flat yoy. SMO orders recovery trend seen into Q4.
Orders hit a low in Q1 of FY17, and Q3 saw recovery to level of the previous year. Performance also improving.
Sales and Profit Trend of M3 Career

(million yen)

Sales and profit expansion from increase in staff and productivity

FY17 should see continued traction from job placement for physicians

Absorbed upfront hiring impact from Q1, and returned to the usual growth rate
Number of Physician Members and Panelists (Global)

(thousand)

4+ million members worldwide

Over 4 million physicians utilize M3’s global platforms

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## China: Membership Expansion

### Number of Physician Members in China (thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY14 Q1</th>
<th>FY14 Q2</th>
<th>FY14 Q3</th>
<th>FY14 Q4</th>
<th>FY15 Q1</th>
<th>FY15 Q2</th>
<th>FY15 Q3</th>
<th>FY15 Q4</th>
<th>FY16 Q1</th>
<th>FY16 Q2</th>
<th>FY16 Q3</th>
<th>FY16 Q4</th>
<th>FY17 Q1</th>
<th>FY17 Q2</th>
<th>FY17 Q3</th>
<th>FY17 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q1</strong></td>
<td>953</td>
<td>1,019</td>
<td>1,096</td>
<td>1,154</td>
<td>1,250</td>
<td>1,362</td>
<td>1,490</td>
<td>1,561</td>
<td>1,617</td>
<td>1,680</td>
<td>1,753</td>
<td>1,838</td>
<td>1,908</td>
<td><strong>1,985</strong></td>
<td>2,026</td>
<td></td>
</tr>
<tr>
<td><strong>Q2</strong></td>
<td></td>
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<tr>
<td><strong>Q3</strong></td>
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<tr>
<td><strong>Q4</strong></td>
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</tbody>
</table>

- Marketing services for drug companies starting with MR-kun, and marketing research services showed steady growth.
- MR-kun is now being utilized for 35 drugs across 11 pharmaceutical companies.
- Launched career services for physicians.

- Topped 2 million physicians members, covering the majority of doctors in China.
Sales and Profit Trend of Overseas Segment Profit

(million yen)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Segment Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY09</td>
<td>1,105</td>
<td>-71</td>
</tr>
<tr>
<td>FY10</td>
<td>1,585</td>
<td>55</td>
</tr>
<tr>
<td>FY11</td>
<td>2,983</td>
<td>133</td>
</tr>
<tr>
<td>FY12</td>
<td>4,069</td>
<td>117</td>
</tr>
<tr>
<td>FY13</td>
<td>6,661</td>
<td>1,043</td>
</tr>
<tr>
<td>FY14</td>
<td>10,980</td>
<td>1,430</td>
</tr>
<tr>
<td>FY15</td>
<td>13,810</td>
<td>1,614</td>
</tr>
<tr>
<td>FY16</td>
<td>16,338</td>
<td>1,582</td>
</tr>
<tr>
<td>FY17 Q3</td>
<td>16,870</td>
<td>2,597</td>
</tr>
</tbody>
</table>

FY17 FCT 22 bn yen

- Profitability in the US and UK improved dramatically led by the research business
- Q3 cumulative profit +119% yoy
- Profit margin expansion from operational improvements. Dispatched personnel from Japan to share accumulated business expertise
Both sales and profit healthy as expected.

Profitability improved led by research business.

Research business healthy.

Healthy expansion in China MR-kun, Q3 cumul. profit doubled yoy.

US and UK profit expanded in addition to contribution from Vidal. China also at a growth stage.

Overseas Segment Profit Breakdown (million yen)

FY16 Q1-3
France Vidal

1,186

US

+937

FY17 Q1-3

Vidal

US

+230

+115

UK

+129

China, Others

2,597

2.2x YoY
M3 Group’s Business Strategy
M3 is uniquely positioned to transform the health care industry via its
1) Platform  2) Industry Expertise and  
3) Human Resources (management and engineering)
Evolution of M3 Growth Drivers

Main Initiatives

- Seeds Rocket / M3i
- Various solutions within cancer specialties
- M3 AI Labo
- Genome Diagnosis / G-TAC
- e-Clinical Trials
- M3 Career (Job placement for physicians)
- MR-kun Family
- Web Surveys

Full-scale entry into the field of Advanced Medicine, as the third growth driver for M3
Continued fortification and commonization of the M3 platform. Objective to expand the advanced medicine business to equal or greater scale than existing businesses such as “MR-kun Family” and “Clinical Trials”
M3’s A.I. Initiatives within Healthcare

AI

Highly expert team consisting 10+ members such as A.I. engineers and data scientists

Website Activation
- Analysis of user activity logs across M3 operated sites such as m3.com
- Application of A.I. to optimally customize user experiences created an uplift of a few billion yen in profit

A.I. Diagnostics
- Established internal team dedicated to A.I. medical device regulations
- Including induction of overseas technologies, results already seen in several diagnostic imaging areas, with product development (approval) in progress

Accuracy of Diagnosis for Disease X

<table>
<thead>
<tr>
<th></th>
<th>Sensitivity</th>
<th>Specificity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accuracy</td>
<td>94%</td>
<td>95%</td>
</tr>
</tbody>
</table>

Incubation
- Provision of M3 resources to support companies researching frontline A.I. medical technologies
- Large scale partnerships in review

Personalized Content Delivery

A.I. Support Platform

LPixel α β …

Support Support Support

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M3’s Genome Business Development

Genome Diagnostics Lineup
- Expansion of professional genome diagnostic test lineup offered by GTAC. Partnerships with 11 overseas producers of leading edge diagnostics. Over 30 types of tests now available through the platform

GTAC Diagnostics Partnership Facilities
- Alliances with over 1,800 medical institutions to provide genome diagnostic tests offered by GTAC. Expected to top 2,000 institutions in the near future

P5 Diagnostics Provision Facilities
- Over 7 top medical institutions now offering P5’s cancer diagnostic test (OKAYAMA UNIVERSITY HOSPITAL, FUJITA HEALTH UNIVERSITY HOSPITAL, Kobe City Medical Center General Hospital, others)
- Addition of over 20 more institutions underway

Medical Site Alliances
M3 is Just Getting Started
Upfront Investment Costs for Future Growth

(Unit: Million Yen)

Special costs incurred in anticipation of 0.8~1.5 bn yen. Aggressive upfront investment to continue.
Annual Results & Forecast for FY2017

Sales

(mn yen)

Operating Profit & Net Profit

(mn yen)

- Operating Profit
- Net Profit

* Extraordinary profit from acquisition of MPI: 1,034 mn yen

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Creating New Value in Healthcare

M3

**Medicine**
**Media**
**Metamorphosis**

Healthcare sector is enormous…

- Japanese national spending on medical services is approximately ¥33tn (¥50tn including peripheral businesses)
- Equivalent to 10% of Japanese GDP
- Sector controlled by only 290,000 physicians (0.2% of the national population)

Aim to create new value

- Provide solutions within the healthcare sector
- Provide new and unique business models
- Specialize in niches areas that provide opportunity for high value creation and high profits in order to boost enterprise value
Appendix
### Segment Definition Changes

#### Previous and New Segment Correspondence Chart

<table>
<thead>
<tr>
<th>Original Segments</th>
<th>Medical Portal</th>
<th>Evidence Solution</th>
<th>Clinical Platform</th>
<th>Sales Platform</th>
<th>Overseas</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>MR-kum Family</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Career</td>
<td>●</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>M3</td>
<td>●</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ask Doctors</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>New Segments</td>
<td></td>
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<tr>
<td>Medical Platform</td>
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<tr>
<td>Evidence Solution</td>
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<tr>
<td>Career Solution</td>
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<tr>
<td>Overseas</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Other Emerging Businesses</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Combined all related businesses into this Medical Platform segment given the development of businesses that integrate internet and real operational capabilities.

Extracted as a new segment due to the nature and expanded size of the business.

Combined other emerging businesses and the consumer business originally under the previous Medical Portal.